

EXHIBIT A TO PLAN
"Committee Settlement"
SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is entered into as of May 16, 2011, between Odyssey Petroleum Corp. (U.S.) ("Odyssey" or the "Debtor"), Petrichor Energy, Inc. (f/k/a Odyssey Petroleum Corp.) ("Petrichor"), the Official Committee of Unsecured Creditors (the "Committee"), and the "Baker Entities" (defined as Baker Hughes, Inc., Baker Petrolite Corporation, and BJ Services Company U.S.A.).

RECITALS

WHEREAS:

1. Odyssey filed a petition for relief pursuant to Chapter 11 of the *United States Bankruptcy Code* on April 23, 2010; and
2. Odyssey remains in possession of its property and continues to operate its business as a debtor-in-possession pursuant to §§1107 and 1108 of the *United States Bankruptcy Code*; and
3. The Committee was duly appointed by the U.S. Trustee on June 3, 2010; and
4. One of the Baker Entities -- namely, Baker Petrolite Corporation -- is a member of the Committee; and
5. The unsecured creditors, represented by the Committee, have claims against the Estate as outlined in Exhibit A attached hereto and incorporated herein by reference, which exhibit was prepared by the Debtor's CRO based on the Debtor's reconciliation of all scheduled and filed claims timely asserted against the Estate; and
6. Based on the pending contract to purchase the Debtor's assets, the estate is solvent and is expected to yield a significant return to Petrichor as the holder of the equity interest in the Debtor; and
7. The Committee has filed a *Motion for Appointment of Chapter 11 Trustee* [Dkt #565], and the Baker Entities have filed a *Joinder in and Response to Motion for Appointment of Chapter 11 Trustee* [Dkt #572] (collectively, the "Trustee Motion"), and Odyssey has filed a *Response and Objection* to these Pleadings [Dkt #607]; and
8. Petrichor is 100% equity holder of Odyssey, and therefore the ultimate beneficiary of excess funds remaining in the Estate after all allowed claims are paid; and
9. Petrichor and the Debtor desire to avoid administrative expenses to the Estate as



such expenses will only serve to deplete the recovery of the equity owner; and

10. Petrichor and Odyssey, in furtherance of their desire to maximize recovery to the equity owner, entered a Settlement Agreement which also included Confederation Capital Corporation, G&O Energy, Energy Resources Corp., Pan Southern Petroleum Corp., Phoenix Resources, LLC, Whitney J. Pansano, Jr., Whitney Pansano, III, Goodliffe Capital, Inc. and Harvey H. Hutchins, (the “Petrichor Settlement Agreement”) which is the subject of the Debtor’s *Motion to Approve Compromise and Settlement of Claims* [Dkt #595] (“9019 Motion”) filed on May 7, 2011; and
11. Petrichor and Odyssey, for the same reasons, further desire to enter this Settlement Agreement with the Committee and the Baker Entities to resolve various disputed issues between or among them pertaining to the 9019 Motion, the Sale Motions (defined below) and the Trustee Motion.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which is acknowledged by all of the parties hereto, the parties hereby agree as follows:

A. Upon the closing of a sale of the Debtor’s assets pursuant to the currently filed Bid Procedures Motion [Dkt #592] and Sale Motion [Dkt #591] (collectively, the “Sale Motions”), the Debtor will deposit a portion of the sale proceeds in a separate Debtor in Possession account -- which will be a joint account requiring the signatures of both Debtor’s Counsel and Committee Counsel in order for any funds to be disbursed and, absent written agreement of the Debtor and Committee, or Order of the Court, funds will only be disbursed through the joint plan discussed below -- in an amount equal to: (i) the aggregate principal amount of the unsubordinated, uncompromised, unsecured claims (\$2,286,871.00), as outlined in the attached Exhibit A (hereinafter, the “Claims”); plus (ii) 10% of the aggregate principal amount of the Claims (hereinafter, the “Additional Amount”).

B. Subject to Paragraph D below, the Claims will be recognized as allowed in the amounts listed in Exhibit A, and those amounts, plus 10% thereof as a result of the Additional Amount, will be paid to the holders of the Claims pursuant to and upon confirmation of the joint plan discussed below.

C. The Additional Amount will compensate the holders of the Claims for interest on the Claims and will also constitute consideration to such holders given in exchange for, upon payment of the Claims and the Additional Amount pursuant to the joint plan discussed below, a complete waiver and release of any and all other amounts or claims which any or all

of the subject holders might otherwise have had for any amount in excess of 110% of such holder's claim.

D. The Debtor will have thirty days from the Court's approval of this Settlement Agreement to object to the following claims: Bow Oil Co. LTD, Marshall R. Young Oil Company, Exxcel Energy Capital, LLC, and Cajun Well Service. These four claims were selected based on the lack of knowledge of their existence and/or documentation made available to the Debtor that provides evidence that they do not represent valid claims against the Estate.

E. The Committee, the Baker Entities and the Debtor agree to jointly request the Court to reset the June 21, 2011 hearing on the Trustee Motion for a date and time certain during the week of July 5, 2011 or as soon thereafter as the Court is available (but in no event later than July 12, 2011). Notwithstanding the foregoing, the Committee and the Baker Entities will withdraw the Trustee Motion without prejudice upon Bankruptcy Court approval of all of the following: (i) the Amended 9019 Motion discussed below, and (ii) the Sale Motions. The Committee and the Baker Entities will not file any motions with this Court or any other applicable court to inhibit the Debtor from completing the closing of a sale of the Debtor's assets pursuant to the Sale Motions. Provided, however, that in the event a closing of a sale of the Debtor's assets pursuant to the Sale Motions does not occur by July 3, 2011, the Committee and/or the Baker Entities may refile a Motion for Appointment of Chapter 11 Trustee or similar motion and request an expedited hearing thereon to occur no later than July 12, 2011, and the Debtor agrees not to oppose the request for expedited hearing.

F. The Committee and the Baker Entities will agree to fully support the Sale Motions and all subsequent actions by the Debtor needed to complete the closing of a sale of the Debtor's assets pursuant to the Sale Motions.

G. The currently filed 9019 Motion [Dkt #595] will be amended (the "Amended 9019 Motion") to make the Committee and the Baker Entities parties thereto and to add the settlement reflected herein to the relief requested in that motion. The Committee and the Baker Entities will support the Amended 9019 Motion.

H. The Debtor and Committee will use their good faith best efforts to file a joint disclosure statement and a joint plan of liquidation as soon as practical after execution of this Agreement, but in no event later than June 6, 2011. The joint disclosure statement and joint plan of liquidation will provide for terms and treatment consistent with the terms and conditions contained in this Agreement, as well as the terms and conditions contained in the Petrichor Settlement Agreement.

I. Effectiveness. The effectiveness of this Settlement Agreement is subject to: (i) the filing of the aforementioned joint disclosure statement and joint plan of liquidation by

June 6, 2011, (ii) entry by the Bankruptcy Court of a final and nonappealable Order approving it, and (iii) the occurrence of a closing of a sale of the Debtor's assets pursuant to the Sale Motions.

J. Construction. Each Party acknowledges that it has participated in the negotiation of this Agreement and no provision of this Agreement will be construed against or interpreted to the disadvantage of any Party hereto by any court or other governmental or judicial authority by reason of such Party having or being deemed to have structured, dictated or drafted such provision. All terms of this Agreement were negotiated at arms-length, and this Agreement was prepared and executed without fraud, duress, undue influence or coercion of any kind exerted by any of the Parties upon the other. The execution and delivery of this Agreement is the free and voluntary act of the Parties.

K. Counterparts; Electronic Delivery. To facilitate execution, this Agreement and any required consents may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each Party, or that the signature of all persons required to bind any Party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement or any required consent to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the Parties thereto. Any signature to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages. Delivery of an executed counterpart of this Agreement or any required consent by telefacsimile or any other form of electronic transmission shall be equally as effective as delivery of an original executed counterpart thereof. Any Party delivering an executed counterpart of this Agreement or any required consent by telefacsimile or other electronic means also shall deliver an original executed counterpart of such instrument, but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect thereof.

L. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Mississippi, without regard to the conflict of laws rules in effect from time to time in the State of Mississippi.

M. Complete Agreement. The Parties further agree, declare and represent that no promise, inducement, representation or agreement not herein expressed has been made to any Party or caused them to enter this Agreement. The Agreement contains the entire and final agreement between the Parties and there are no agreements, understandings, warranties or representations among the Parties except as set forth herein. The terms of the Agreement are contractual and not a mere recital. This is a fully integrated agreement. It may not be altered or modified by oral agreement or representation or otherwise except by a writing of subsequent date hereto signed by all parties in interest at the time of the alteration or modification.



N. Necessary Documents. The Parties agree to enter into and execute such further documents or instruments as may be necessary and appropriate to effectuate this Agreement.

O. Miscellaneous. It is further agreed as follows:

(a) Time is of the essence in this Agreement and each provision of this Agreement.

(b) This Agreement will inure to the benefit of and bind the respective heirs, personal representatives, successors, and permitted assigns of the Parties hereto.

(c) Paragraph or other headings contained in this Agreement are for reference purposes only and are not intended to affect in any way the meaning or interpretation of this Agreement.

(d) Neither this Agreement nor any of the provisions hereof can be changed, waived, discharged or terminated, except by an instrument in writing signed by the Party against whom enforcement of the change, waiver, discharge or termination is sought.

(e) The parties recognize that the duties of good faith and fair dealing are not just implied in this Agreement; but these duties are express terms and conditions hereof.

EXECUTED with full power and authority, and AGREED effective (subject to the terms of Paragraph I hereof) as of the date first written above.

Odyssey Petroleum Corp. (U.S.)

BY: CD Deutchman CRO
Charles Deutchman, CRO

Official Committee Of Unsecured Creditors

BY: J Kelly
Jerry Kelly, Chairman

Baker Hughes, Inc., Baker Petrolite
Corporation, BJ Services Company U.S.A.

BY: _____

ITS: _____

PRINT NAME: _____

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(e) The parties recognize that the duties of good faith and fair dealing are not just implied in this Agreement; but these duties are express terms and conditions hereof.

EXECUTED with full power and authority, and AGREED effective (subject to the terms of Paragraph 1 hereof) as of the date first written above.

Odyssey Petroleum Corp. (U.S.)

BY: CSI Deutchman CRO
Charles Deutchman, CRO

Official Committee Of Unsecured Creditors

BY: _____
Jerry Kelly, Chairman

Baker Hughes, Inc., Baker Petrolite
Corporation, BJ Services Company U.S.A.

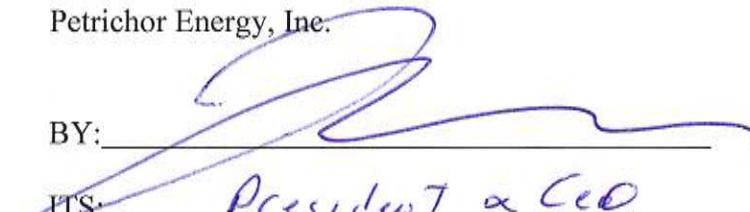
BY: Christopher J. Ryan

ITS: AUTHORIZED AGENT

PRINT NAME: CHRISTOPHER J. RYAN

EXECUTED with full power and authority, and AGREED effective (subject to the terms of Paragraph I hereof) as of the date first written above.

Petrichor Energy, Inc.

BY: 

ITS: President & CEO

PRINT NAME: Joe DeVries

APPROVED AS TO FORM:

John D. Moore, Attorney for Odyssey

Doug Noble, Attorney for the Committee

Walter Newman, Attorney for Petrichor

Bill Leech, Attorney for Baker Entities

or

Danny E. Ruhl, Attorney for Baker Entities

EXECUTED with full power and authority, and AGREED effective (subject to the terms of Paragraph I hereof) as of the date first written above.

Petricor Energy, Inc.

BY: 

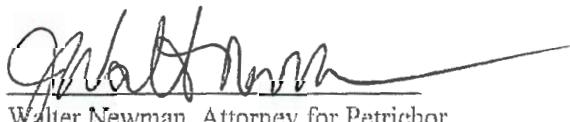
ITS: President or CEO
PRINT NAME: Joe DeVries

APPROVED AS TO FORM:



John D. Moore, Attorney for Odyssey

Doug Noble, Attorney for the Committee



Walter Newman, Attorney for Petrichor

Bill Leech, Attorney for Baker Entities
or
Danny E. Ruhl, Attorney for Baker Entities

EXECUTED with full power and authority, and AGREED effective (subject to the terms of Paragraph I hereof) as of the date first written above.

Petrichor Energy, Inc.

BY: _____

ITS: _____

PRINT NAME: _____

APPROVED AS TO FORM:

John D. Moore, Attorney for Odyssey



Doug Noble, Attorney for the Committee

Walter Newman, Attorney for Petrichor

Bill Leech, Attorney for Baker Entities

or

Danny E. Ruhl, Attorney for Baker Entities

EXECUTED with full power and authority, and AGREED effective (subject to the terms of Paragraph I hereof) as of the date first written above.

Petrichor Energy, Inc.

BY: _____

ITS: _____

PRINT NAME: _____

APPROVED AS TO FORM:

John D. Moore, Attorney for Odyssey

Doug Noble, Attorney for the Committee

Walter Newman, Attorney for Petrichor



Bill Leech, Attorney for Baker Entities

or

Danny E. Ruhl, Attorney for Baker Entities

Odyssey Petroleum Corporation

EXHIBIT A

Analysis of the Unsecured Unsubordinated Creditor Claims Pool

<u>Group</u>	<u>No.</u>	<u>Date Filed</u>	<u>Claim Priority</u>	<u>Claim Type</u>	<u>Creditor Name</u>	<u>POC Claims Register</u>
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Unsecured Claims and Subordinated Secured Claims That Filed a Proof of Claim:

1	04/30/10	US	Service	Waring Oil		\$11,775
2	05/03/10	US	Service	Worldwide Energy Services, Inc.		\$4,600
3	05/03/10	US	Service	Wade Services		\$2,568
4	05/03/10	US	Service	Laurel Magneto Service		\$1,377
6	05/04/10	US	Service	Johnston Sand & Gravel		\$1,768
7	05/04/10	US	Service	Free State Tool Corp.		\$6,919
8	05/04/10	US	Service	Jackson Air & Hydraulic		\$2,940
9	05/04/10	US	Service	Stewart's Testing Inc.		\$20,375
10	05/06/10	US	Service	Southern Propane		\$3,130
11	05/06/10	US	Service	Beacon Supply Co.		\$570
12	05/10/10	US	Service	Hercules Wire Rope		\$2,879
13	05/12/10	US	Service	Performance Drilling Company, LLC		\$1,060,252
15	05/12/10	US	Service	B & B Oil Well Service		\$18,233
16	05/13/10	US	Service	Eastern Fishing & Rental Tools		\$2,507
17	05/14/10	US	Service	Kelley Brothers Contractors, Inc.		\$10,963
18	05/17/10	US	Service	Kimray		\$3,808
19	05/17/10	US	Service	Stringer's Oilfield		\$2,707
20	05/18/10	US	Service	Southern Hose and Ind. Supp.		\$1,039
21	05/20/10	US	Service	Dew Point Control, LLC		\$37,080
22	05/20/10	US	Service	Bio Tech		\$428
23	05/21/10	US	Service	Megagate		\$1,342
24	05/25/10	US	Service	Lewis Pest Control		\$240
25	05/26/10	US	Service	Advanced Products, Inc.		\$2,738
26	05/27/10	US	Service	Professional Wireline Rentals, LC		\$2,651
27	05/28/10	US	Service	M & D Sales Inc.		\$15,997
28	05/28/10	US	Service	Champion Technologies		\$5,482
29	05/28/10	US	Service	Sparks Gamma Ray Surveys		\$4,500
30	05/28/10	US	Service	Total Pump & Supply		\$36,165
32	06/03/10	US	Service	Dutch Lubricants		\$3,900
33	06/28/10	US	Service	Cajun Well Service		\$129,514
34	06/10/10	US	Service	Speciality Rental Tools		\$7,704
35	06/18/10	US		Exxel Energy Capital LLC		\$9,500
36	06/21/10	US	Service	Heidelberg Pump & Supply, Inc.		\$87,746
38	06/23/10	US	Service	Tesco Services Inc.		\$21,993
39	06/23/10	US	Service	Gray Wireline		\$22,372
40				NOT USED		
42	07/02/10	US	Service	Kelley Oil Company		\$38,336
43	07/06/10	US	Service	Perf-O-Log, Inc.		\$7,073
44	07/07/10	US	Service	Whitney Pansano (<i>Replaced by # 85</i>)		
45	07/08/10	US	Service	Broadway Premium Funding		\$2,201
46	07/08/10	US	Service	Liberty Mutual Insurance		\$0
47	07/08/10	US	Service	Superior Energy Services LLC		\$18,455
48	07/08/10	US	Service	Warrior Energy Services, Inc.		\$68,299
49	07/08/10	US	Service	Reagan Equipment Co., Inc.		\$8,998
50	07/09/10	US	Service	Pitney Bowes, Inc.		\$1,274
52	07/09/10	US	Service	Bean Resources (formerly held by B.H.)		\$22,415
53	07/09/10	US	Service	Baker Petrolite Corporation		\$101,821
54	07/09/10	US	Service	Wood Group Pressure Control, LP		\$8,919
55	07/09/10	US	Service	BJ Services Company, USA		\$15,898
74	11/15/10	US	Service	Lampton Love of Pelahatchie, Inc.		\$11,726

Odyssey Petroleum Corporation

EXHIBIT A

Analysis of the Unsecured Unsubordinated Creditor Claims Pool

<u>Group</u>	<u>No.</u>	<u>Date Filed</u>	<u>Claim Priority</u>	<u>Claim Type</u>	<u>Creditor Name</u>	<u>POC Claims Register</u>
	76	01/03/11	US	??	Bow Oil Co. LTD	\$50,000
	77	03/11/11	US	??	Marshall R. Young	
	78	03/17/11	US	Lease	Pan Southern Petroleum, Corp	\$90,000
	79	03/17/11	US	Lease	Pan Southern Petroleum, Corp	\$198,000
	80	03/17/11	US	Lease	Phoenix Resources, LLC	\$170,000
	81	04/06/11	US	Service	Harvey Hutchins	\$10,000
	83	04/06/11	ROY	Royalty	Goodlieffe Capital, Inc.	\$9,940
	84	04/06/11	ROY	Service	Whitney Pansano, III	\$16,074
	85	04/06/11	US	Service	Whitney Pansano, Ltd.	\$58,528
	86	04/06/11	SEC	Loan	Energy Resources, LLC	\$132,300
	87	04/06/11	US	Service	Phoenix Resources, LLC	\$524,660
	89	04/11/11	US	Service	Drew Maness	\$22,783
	95	04/13/11	US	Service	Confederation Capital Corp.	\$538,348
	96	04/14/11	US	Service	Harvey Hutchins	\$153,000

TOTALS ==> **\$3,826,808**

Unsecured Claims That Did Not File a Proof of Claim:

US	A & B Pump Supply	\$4,794
US	Adams & Reese	\$115,643
US	Anderson Construction	\$2,064
US	Belt Warehouse	\$644
US	Ben Johnson (Machine & Tool, Co.)	\$0
US	Broadway Premium Ins. (Fireman's)	\$1,101
US	Browning Air & Hydraulic Co.	\$84
US	California Contractors Supplies, Inc.	\$124
US	Central Hydraulics	\$1,837
US	Champion Oil Field Services	\$1,342
US	Clarkco Services, Inc.	\$7,504
US	Compressor & Engine Service	\$7,811
US	Elkins Electric Corp	\$3,309
US	Fastenal	\$27
US	Filtration Systems of MS. Inc.	\$7,231
US	Fleet Morris Petroleum	\$6,774
US	Floquip, Inc.	\$2,708
US	FLR Products, LLC	\$2,399
US	Gray Daniels	\$3,276
US	H & H Transportation, LLC	\$6,455
US	IMS	\$150
US	Jonathon Turner Construction	\$1,755
US	K & W Auto Parts	\$82
US	Kimerling Truck Parts	\$86
US	Littich Backflow Testing	\$75
US	Logan Oilfield Services, LLC	\$5,914
US	Masco Wireline	\$5,831
US	May & Associates	\$27,485
US	Mesa Machine, Inc.	\$1,944
US	Michael Thorton	\$85
US	Mississippi Gauge & Supply	\$353
US	Motion Industries	\$1,939
US	MS. State Oil and Gas Board	\$129
US	Natco	\$627

Odyssey Petroleum Corporation

EXHIBIT A

Analysis of the Unsecured Unsubordinated Creditor Claims Pool

<u>Group</u>	<u>No.</u>	<u>Date Filed</u>	<u>Claim Priority</u>	<u>Claim Type</u>	<u>Creditor Name</u>	<u>POC Claims Register</u>
			US		National Registered Agents, Inc.	\$169
			US		Nexair	\$410
			US		Oil States Industries	\$740
			US		Petro Pump of South LA.	\$103,385
			US		Precision Signs	\$703
			US		Professional Wireline Rentals, LCC	\$2,651
			US		Pro-Way Operating	\$3,425
			US		Quill	\$227
			US		RFT, Rental & Fishing Tools, Inc.	\$2,312
			US		River Oaks Management, Inc.	\$140
			US		Robine & Welch Machine & Tool, Co.	\$1,194
			US		Schlumberger	\$16,652
			US		Seal Tech	\$1,498
			US		Stewart Sand & Gravel	\$300
			US		T. J. Scarbrough, Inc.	\$1,412
			US		Twins Construction	\$7,342
			US		Universal Compression	\$8,651
			US		Venture Transport Logistics, LLC	\$1,693
			US		Wise Well Services Blocker, Inc.	\$29,373

Total of Scheduled Claims that did not file a POC ==> \$403,859

Total of "Scheduled Unsecured" and "Unsecured filing a Proof of Claim" ==> \$4,230,667

Total Pansano Related Entity Unsecured Claims ==> \$1,362,502 PRE

Total Petrichor Energy, Inc. Related Entity Unsecured Claims ==> \$538,348 PET

Total of Subordinated Claims to Unaffiliated Unsecured Creditors ==> \$1,900,849

Net, Unsubordinated Unsecured Creditor Claim ==> \$2,329,818

Construction Liens, included in Unsecured Creditor Balances above:

N/A	Schlumberger	<u>(\$16,652)</u>
48	Warrior Energy Services, Inc.	<u>(\$26,295)</u>
Total Const. Liens included above in Unsecured Claims ==> <u>(\$42,947)</u>		

Unsubordinated Unsecured Creditor Claim, Net of Construction Liens ==> \$2,286,871

10.0% Additional Amount ==> \$228,687

Total Claim Pool for Unsubordinated Unsecured Creditors ==> \$2,515,558

Questionable Claims (Included Above):

76	01/03/11 Bow Oil Co. LTD	<u>\$50,000</u>
77	03/11/11 Marshall R. Young Oil Company	<u>??</u>
33	06/28/10 Cajun Well Service	<u>\$129,514</u>
35	06/18/10 Exxel Energy Capital LLC	<u>\$9,500</u>
Total for the above questionable claims ==> <u>\$189,014</u>		